

LOUISVILLE METRO COUNCIL COMMITTEE SUMMARY

Jobs/Economic Development Meeting

Thursday, December 12, 2006

3:00 P.M.

Third Floor, City Hall

Present:

Chair:

Hal Heiner

Members:

Stuart Benson, Leonard Watkins,
Tom Owen and George Melton

Absent:

David Tandy (excused) and Kelly Downard

Special Items for Discussion: NONE

Chairman Heiner began the meeting by announcing the members and non-members of the committee that were present. A quorum was established.

AGENDA:

[O-234-12-06 AN ORDINANCE CORRECTING AN OMISSION CONTAINED IN ORDINANCE 195, SERIES 2006, AND PERTAINING TO THE RE-ENACTMENT AND REVISION OF THE DOWNTOWN MANAGEMENT DISTRICT ORDINANCE, CHAPTER 160 OF THE LOUISVILLE METRO CODE OF ORDINANCES.](#)

Motion to Approve was made by Stuart Benson and seconded by Leonard Watkins

Discussion: Bill O'Brien, Assistant County Attorney, reviewed the proposed changes to the ordinance.

Motion was made by George Melton to amend the ordinance as follows:

- WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the "Council") ~~enacted~~ passed Ordinance 195, Series 2006 on ~~October 12, 2006~~, October 26, 2006 re-enacting and revising the Downtown Management District Ordinance, Chapter 160 of the Louisville Metro Code of Ordinances; and
- Section 160.22(D)(5): Development patterns should be strategic, emphasizing parking area and high pedestrian traffic corridors, including to and from places of work, entertainment and residences. Community service officers should be concentrated on blocks in private ownership, and those public sector and tax exempt properties which have contracted with the District for the provision of certain District services. Hours of operation should be planned to provide maximum support for downtown business.

Stuart Benson seconded the motion. By unanimous vote the amendment passed.

By unanimous vote, this item as amended was sent to Old Business

[O-241-12-06 AN ORDINANCE APPROVING THE BUDGET FOR THE LOUISVILLE DOWNTOWN MANAGEMENT DISTRICT FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007.](#)

Motion to Approve was made by George Melton and seconded by Tom Owen

Discussion: Ken Herndon, Downtown Management District, spoke. The following was discussed:

- Louisville Central Area is merging with the Louisville Downtown Management District (LDMD).
- The name only will exist for the Louisville Central Area from this point forward and all functions performed under the two names will just be under the Louisville Downtown Management District name from this point forward.
- Expanding marketing capability
- Expanding streetscape services
- The role of the LDMD is a Business Improvement District
- Financing

Motion was made by Stuart Benson to amend the ordinance as follows:

- January 1, 2007 through ~~June 30, 2007~~ December 31, 2007 throughout the ordinance
- Tom Owen seconded the motion. By unanimous vote, the amendment passed.

By unanimous vote, this item as amended was sent to Old Business

[R-209-12-06 A RESOLUTION TO SUPPORT THE DEVELOPMENT OF PUBLIC INFRASTRUCTURE AND SPACE AROUND MUSEUM PLAZA](#)

Motion to Approve was made by Leonard Watkins and seconded by Stuart Benson

Craig Greenberg, The following was discussed:

- Schematic Design 1005 complete, construction to start next summer and be completed by 2010
- Agreement of Cooperation signed with labor
- Letter of intent signed with Westin Hotels
- Tax increment financing proposal
- Financed privately
- Project highlights
- State Legislative proposals
- Public improvements
- Issuance of Bonds
- Flood Wall and River Rd extension infrastructure funding
- The garage will not be a PARC Garage
- Facade of the buildings and Cost of steel to be used in the building
- There will be no impact regarding the arena tiff and this ordinance will have no affect on the arena project

Motion to Amend this resolution by substitution with an ordinance was made by Hal Heiner and seconded by Tom Owen. By unanimous vote, the amendment passed. The ordinance by substitution amendment is attached.

By unanimous vote, this item as amended was sent to Old Business.

[O-117-6-06 - AN ORDINANCE AMENDING SECTIONS 37.55\(B\) AND \(C\) OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT CODE OF ORDINANCES \("LMCO"\) TO INCREASE THE MINIMUM WAGE FOR EMPLOYEES OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT \("METRO GOVERNMENT"\).](#)

Motion to Untable was made by Leonard Watkins and seconded by Stuart Benson. By unanimous vote, this item was untabled

Discussion: CM Blackwell spoke stating the idea was to change the law to reflect the reality that we already have. It also changes the incentive that is offered to those who are bidding on contracts. Bill Hornig, Director of Human Resources, was also present to answer questions. The following was discussed:

- Incentives
- Union vs. non union wages
- Total Compensation includes wage and incentives/benefits (insurance etc.)
- Financial impact
- Number of employees did not change

Motion to Table was made by Tom Owen and seconded by George Melton. By unanimous vote, this item was Tabled.

Motion to Adjourn was made by George Melton and seconded by Stuart Benson.

***NOTE: Items sent to the Consent Calendar or Old Business will be heard before the full Council at the December 19, 2006 Metro Council Meeting.**

The meeting adjourned without objection at 4:10 p.m.
KQG

ORDINANCE NO. _____, SERIES 2006

AN ORDINANCE (A) ESTABLISHING A DEVELOPMENT AREA PURSUANT TO KENTUCKY REVISED STATUTES 65.490 TO 65.499, INCLUSIVE, (B) DESIGNATING THE METRO DEVELOPMENT AUTHORITY AS AN "AGENCY" FOR PURPOSES OF KENTUCKY REVISED STATUTES 65.490 TO 65.499, INCLUSIVE, AND (C) ENCOURAGING THE COMMONWEALTH'S GENERAL ASSEMBLY AND GOVERNOR TO PASS AND ENACT LEGISLATION WHICH FURTHER SUPPORTS THE DEVELOPMENT OF LARGE ECONOMIC DEVELOPMENT PROJECTS. (Amended by Substitution).

SPONSORED BY: Councilwoman Julie Adams and Councilman David Tandy

WHEREAS, Museum Plaza (the "Project") will significantly benefit Louisville and the Commonwealth of Kentucky by increasing state and local tax revenues, creating new jobs, enhancing regional tourism, adding public park space, improving road, flood protection, and pedestrian infrastructure, increasing property tax values, stimulating private investment in Downtown Louisville, and adding a new arts institution to our community; and

WHEREAS, Museum Plaza will be an approximately \$465 million, 1.5 million square foot mixed-use project which includes a new contemporary art museum, a 240 room luxury hotel, residential condominiums, 270,000 square feet of Class A office space, parking garage, restaurants, and retail outlets; and

WHEREAS, the public portions of the Project will include a park, pedestrian promenade connecting Main Street to the Muhammad Ali Center, extension of River Road west to Eighth Street, extension of Eighth Street north to River Road, reconfiguration of Washington Street, and other infrastructure and public improvements; and

WHEREAS, the provisions of KRS 65.490 through KRS 65.499 authorize a program whereby anticipated or realized increases in tax revenues ("increments") resulting from the increase in property values, sales and employment within a development area and meeting certain other requirements are utilized for revitalization projects within the area as a result of grants issued by the Commonwealth derived from such increments; and

WHEREAS, the Commonwealth of Kentucky, Louisville Metro, and Museum Plaza LLC and affiliates intend to invest in the Project, thereby serving as an economic development catalyst for downtown Louisville, and more particularly, the approximately four (4) acre area bounded on the east by the western edge of the PARC garage located below the Muhammad Ali Center, on the south by West Washington Street, on the west by North Eighth Street, and on the north by West River Road, and also including the area encompassed by the property located at 615 through 621 West Main Street and at Fort Nelson Park, all as further detailed on Exhibit A attached hereto (the "Development Area"); and

WHEREAS, the Development Area qualifies as a "development area" within the meaning of KRS 65.490 through KRS 65.499 and therefore is eligible to become a pilot program for the use of tax increment "grant contracts" in order to finance the public portions of the Project; and

WHEREAS, the Metro Development Authority is an "agency" within the meaning of KRS 65.490 through 65.499, and is designated by Louisville Metro to serve as the local governmental "agency" to enter into a grant contract with the Commonwealth to obtain various tax increment revenues and to issue bonds, notes or other evidence of indebtedness in anticipation of tax increment revenues.

WHEREAS, Section 1 and Section 2 of this Ordinance shall, in part, clarify the Museum Plaza Development Area Exemptions in Ordinance No. 226, Series 2006, as contemplated by Section 2 herein.

BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:

Section 1. Establishment of Development Area. The Development Area is hereby established as a "development area," as contemplated and empowered by KRS 65.490 through KRS 65.499, and shall be named the "Museum Plaza Development Area."

Section 2. Designation of Metro Development Authority as Agency for Museum Plaza Development Area. The Metro Development Authority is hereby designated as an "agency" for purposes of KRS 65.490 through KRS 65.499 for tax increment financing and public project development within the Development Area and, together with the City, intends to enter into a grant contract with the Commonwealth to obtain all available tax increment revenues and to issue bonds, notes or other evidence of indebtedness in anticipation of tax increment revenues for the benefit of the public portions of the Project. Any guarantee or general obligation of Louisville Metro of any indebtedness in connection with this Project will require the further specific authorization of Louisville Metro Council.

Section 3. Encouragement of Kentucky's General Assembly and Governor to Pass and Enact Legislation. Louisville Metro encourages the Governor to propose and the General Assembly to enact legislation in the upcoming legislative session which support and complete the development of public portions of important, large economic development projects including, but not limited to, extending the duration of pilot programs under KRS 65.490 through 65.499, clarifying which taxes may be utilized under such a pilot program, and exempting sales tax on construction material for certain projects.

Section 4. Effective Date. This Ordinance shall take effect upon its passage and approval.

Kathleen J. Herron
Metro Council Clerk

Kevin J. Kramer
President of the Council

Jerry E. Abramson
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Irv Maze
Jefferson County Attorney

By: _____